

## **100 - Airport Improvement Program (AIP)**

### **OVERVIEW**

The Airport Improvement Program (AIP) is a federal grant-in-aid program that represents a major source of funding for airport development and planning. Established in 1982 with the passage of the Airport and Airway Improvement Act of 1982, the AIP was re-codified in 1994 as Chapter 471 of Title 49 of the United States Code (U.S.C).

The AIP has been amended several times since, to address annual authorizations and other program changes. Funds obligated for the AIP are drawn from the Airport and Airway Trust fund, which is supported by user fees, fuel taxes and other similar revenue sources.

Recipients of AIP grants are referred to as "Sponsors." A Sponsor's eligibility to receive funds under the AIP program varies per the type of Airport and the type of project activity. In general, a sponsor may be a public agency, a private owner, or a State entity that is associated with a public-use airport. Sponsors must be legally, financially, and otherwise able to carry out the assurances and obligations contained in the project application and grant agreement.

### **ELIGIBILITY**

Eligible projects include those improvements related to enhancing airport safety, capacity, security, and environmental concerns. Generally, Sponsors may use AIP funds for most airfield capital improvements, necessary land acquisitions, and safety of approved safety equipment.

Prohibitions include landscaping, artwork, parking facilities and costs associated with "exclusive use" development. Airport operational costs such as salaries, normal maintenance services, operational equipment, and supplies are also not eligible for AIP reimbursement.

### **FEDERAL SHARE**

The AIP does not reimburse sponsors the full amount of a project expense. The amount of reimbursement will vary with the type of sponsor.

- For large and medium primary hub airports, the Federal share is 75% of AIP eligible expenses with the exception of noise program implementation, which is 80% Federal participation.
- For remaining airports (small primary, non-primary, relievers, and general aviation airports) the AIP participation rate is currently established at 95% of AIP eligible costs.

### **PROJECT PRIORITY**

Because the demand for AIP funds exceeds the availability, the distribution of AIP funds is based on current national priorities and objectives. Projects that rate a high priority will receive higher consideration for funding over those projects with lower priority ratings.

AIP funds are typically first apportioned into major entitlement categories such as enplanements, non-primary, and state apportionment funds. Remaining funds are distributed to a discretionary fund. Set-aside projects (Airport noise and the Military Airport Program) receive first attention from this distribution. The funds that remain after the set-asides are true discretionary funds that are distributed based on a national prioritization system. Projects are favored that best carry out the purpose of the AIP, with highest priority given to safety, security, reconstruction, capacity and standards.

## 110 - Checklist for Typical AIP Development Project

This checklist provides a basic outline of steps required of the Sponsor for a typical development project. As each project may present unique situations, this checklist should not be construed as inclusive of all steps required for proper administration of an AIP funded project. Likewise, certain steps may not be necessarily for all types of project. This checklist does not fully address project timeline a requirements. Some projects may be accomplished within a single grant. More complex projects may require multiple grants over several fiscal years. The steps required for equipment and land projects will differ from that of a development project.

### PROJECT FORMULATION

#### \_\_\_ a. Airport included in National Plan of Integrated Airport Systems (NPIAS)

Before an airport location can qualify for AIP funding, the airport must be identified within the National Plan of Integrated Airport Systems (NPIAS)

#### \_\_\_ b. Preliminary Planning Coordination

Prior to commencing any activity, the sponsor should coordinate with the appropriate FAA Airport planner to clearly define the scope of the planning initiative.

#### \_\_\_ c. Secure Planning Consultant

Sponsor must adhere to the requirements identified in AC 150/5100-14 when selecting a consultant. Due to inherent differences, we recommend that selection of a planning consultant be accomplished separately from that of project design consultants.

#### \_\_\_ d. Scoping Meeting

The Sponsor and their planning consultant should meet with the FAA to identify pertinent issues and to assess the actions needed to address each issue.

#### \_\_\_ e. Initiate and Complete Environmental Review.

AIP funded projects are subject to environmental review for determination of impacts that a development might have on the environment. The sponsor is responsible for identifying all environmental issues and as well as developing conceptual alternatives for a proposed development by preparing an environmental assessment.

#### \_\_\_ f. Prepare and submit Master Plan/Airport Layout Plan

The objective of the master plan is to establish guidelines for development at an airport that satisfies aviation demand as well as address issues related to the airport operation and environmental. The FAA only approves certain components of a Master plan. These include the Airport Layout Plan (ALP), forecasts, and critical design aircraft selection.

#### \_\_\_ g. Verify ALP approval

In order for a development project to be considered eligible for AIP participation, the improvement must be identified on an approved Airport Layout Plan.

### PROJECT PROGRAMMING

#### \_\_\_ a. Prepare and Submit Airport Capital Improvement Plan (ACIP) Project Data Sheet

The ACIP serves as the primary planning tool for systematically identifying, prioritizing, and assigning funds to critical airport development identified on the approved ALP. The sponsor must submit a signed ACIP data sheet for each development project in order to program AIP funds. The timing on when a data sheet is submitted will affect when AIP funds will be made available. Typically, ACIP data sheets should be submitted by February in order to be considered for funding the **following** fiscal year.

#### \_\_\_ b. Coordinate with FAA on availability of AIP funding

The submittal of an ACIP data sheet does not automatically guarantee funding of the project. The proposed project is subject to FAA review and prioritization. The Sponsor should continue to coordinate with the appropriate FAA planner to verify when funding may be available for approved projects.

## "EARLY START" PHASE

### — a. "Early Start" or "Go" Letter

Sponsor receives notice from FAA of the favorable potential for receiving Federal funding in the upcoming fiscal year. **This is not a commitment nor a guarantee of funds** but simply a "heads up" notice that funding for the project is favorable and that the sponsor should initiate actions that require long lead times in order to avoid delays in establishing a grant agreement.

### — b. Secure an Engineering Consultant

If not already under contract, the Sponsor should initiate selection of a professional consultant for design and construction services. A qualification-based selection must be used when procuring consultant services. Refer Section 300 for a detailed checklist addressing selection of professional consultant.

### — c. Verify Status of Disadvantaged Business Enterprise (DBE) program

The sponsor should contact the FAA Civil Rights Office to verify the status of their DBE program and to establish a project goal using an acceptable goal methodology that complies with 49 CFR Part 26. Sponsors expecting to receive Federal funds in excess of \$250,000 for the fiscal year **must** have an approved DBE program.

### — d. Verify status of Pavement Maintenance Program (Paving Projects)

Per section 107 of Public Law 103-305, airports receiving Federal funds must implement and maintain an effective pavement maintenance program. This requirement is implemented by grant assurance and special condition. Regional guidance is available to aide airport operators in complying with this provision.

### — e. Verify status with the FTA ECHO Reimbursement system

All grant reimbursements are now made by electronic funds transfer using the FTA ECHO system. New sponsors must register the person authorized to make grant payment drawdowns. Existing sponsors should verify their account and password are still functional.

### — f. Verify Data Universal Numbering System (DUNS) Number

The Office of Management & Budget (OMB) has directed all Federal agencies to require applicants of Federal grants to provide a Dun & Bradstreet (D&B) Data Universal Numbering System (DUNS) number when applying for Federal grants or cooperative agreements on or after October 1, 2003. Organizations should verify that they have a DUNS number or take the steps needed to obtain one as soon as possible. Organizations can receive a DUNS number at no cost by calling the dedicated toll-free DUNS Number request line at 1-866-705-5711 or by visiting <http://www.dnb.com/us/>.

## AIRPORT PROPERTY RIGHTS

### — a. Verify if Adequate Property Rights exist

In order for development projects to commence, the sponsor must maintain sufficient property interest in the airport, which conforms to the approved Airport Layout Plan. Due to the variables associated with land acquisition, grants for land acquisition are generally accomplished **prior to** and **separately from** grants for development projects.

### — b. Certificate of Title

Satisfactory evidence of good title is handled by submittal of the FAA form "Certificate of Title" by the airport owner or completion of the appropriate section with the grant application. The certification of title must be based on a current Title Opinion that demonstrates adequate property rights are held and that interest held is free of encumbrances that may have adverse impacts to normal airport operations.

### — c. Exhibit A Property Map

Sponsors must maintain a current property inventory map commonly referred to as the Exhibit A property map. The map must show the airfield pavements and delineate the limits of the airport property interests that are currently held. The map should also include a table showing the parcels/tracts that make up the airport property including interest that is held and date of acquisition as well as any easements.

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**d. Land Acquisition**

Consult the more detailed land acquisition checklist for Land Acquisition projects. Sponsors should note that grants for land acquisition are generally not offered until all expenses have been determined and the property has either been acquired or is under contract to be acquired.

**DESIGN PHASE****a. Pre-design Meeting**

The Sponsor and Consultant should confer with the FAA regarding the scope of the approved AIP eligible work. Issues such as funding limitations, design alternatives, safety requirements, phasing options, etc. should be thoroughly discussed. This meeting may take place as a telephone conference call or an in-person meeting. This meeting should take place prior to establishing the engineering agreement.

**b. Engineers Report**

A report prepared by the engineer that outlines design considerations and selections. The report should include the pavement design form as well as the life cycle analysis if a higher initial cost design is desired. The report should include a preliminary estimate of probable costs. For complex projects, this report should be submitted in advance of preliminary design submittal. For the less complex projects, this report may be submitted along with the preliminary plans and specifications.

**c. Preliminary Plans & Specifications (P&S) Submittal**

Generally, preliminary plans and specifications (P&S) are submitted at the 90% phase. Complex projects may require earlier submittals. Less complex projects may only require one submittal. The FAA project engineer will notify the sponsor at the time of the predesign meeting what level of submittal will be required. The plans and specification must be based on FAA standards. The Sponsor and engineer must identify and justify all additions and deletions made to an FAA construction standard.

**d. Sponsor's annotated Response to FAA Comments**

The Sponsor's engineer shall provide a written response to each FAA comment by stating the action taken to resolve the comment.

**e. Submittal of Final P&S and Sponsor Certification**

Once all required revisions have been made, the sponsor shall submit one copy of the final plans and specifications along with an executed sponsor certification for plans and specifications.

**BID PHASE****a. FAA Approval to Solicit**

The sponsor should verify if FAA approval to solicit bids has been granted. This typically occurs with the FAA approval with final Plans and Specifications.

**b. Public Solicitation**

The Sponsor/consultant must publicly advertise for bids in order to solicit an adequate number of prospective bidder and to create a competitive bidding environment.

**c. Bid Opening**

Sponsor/consultant publicly open bids to identify the apparent low bidder that is determined to be responsive and responsible.

**d. Sponsor Written Recommendation**

Subject to a determination of fair and reasonable costs, the sponsor shall submit to the FAA a written recommendation of award of contract, bid abstract and the contractor's proposed DBE participation.

**e. FAA Approval in Award of Contract**

The FAA approval in the award of contract is based on a combination of sponsor certification and review of the bid results. Sponsor shall submit a complete "Sponsor Certification for Award of Contract" at the time the bid summary information is submitted to the FAA.

## GRANT APPLICATION

### **a. Application Form**

The Sponsor/Consultant shall prepare and assemble an AIP project application form. Since all grants are to be based on defined costs as opposed to estimated costs, the application should reflect the "as-bid" costs. The Sponsor must identify their Dunn & Bradstreet DUNS number on the project application.

### **b. Certification of Title**

The certification of title may be addressed by either completing item #10, Section C, Part II of the grant application or by attaching an executed Certificate of Title to the project application. This certification shall be submitted for all development grants. The Certificate of Title must be based on a current title opinion. For land acquisition projects, the Certificate of Title form must be prepared and submitted.

### **c. Exhibit A Property Map**

Attach a current copy of the Exhibit A property map. If no changes in property ownership have been made since the last submitted Exhibit A map, the sponsor may refer to the previous Exhibit A map. The reference must specifically identify the date of the current exhibit A property map.

## GRANT OFFER

### **a. Congressional Release of Funds**

The official notification that a location has received Federal funding is the "Congressional Release". Until this notification occurs, all actions taken by the sponsor are viewed as a Sponsor initiative. A grant offer will not be made until the Congressional Release notification has been publicly released.

### **b. Grant Offer and Execution**

The FAA will send two copies of the agreement (three in the case of co-Sponsors) to the sponsor for proper execution of the grant. The authorized official shall sign and date the grant agreement. The grant must be executed within the time limit identified in the grant offer.

### **c. Attorney Certification**

The certification by the sponsor's attorney must occur **after** execution of the grant agreement by the Sponsor's authorized official. Certifications made prior to execution of the grant agreement will result in an unacceptable determination by the FAA and the agreement will be returned the Sponsor for correction.

### **d. Executed Grant Agreement**

One copy of the executed agreement must be submitted to the FAA prior to the date specified in the agreement.

## PROJECT EXECUTION

### **a. Preconstruction Meeting**

A preconstruction meeting must be held prior to commencement of the work. The meeting should conform to the requirements of Advisory Circular 150/5300-9. Issues related to operational safety on the airport shall be thoroughly discussed. Contractor should be informed of requirement to submit a 7460-1 form for any equipment exceeding 25' agl that they propose to use on the project. FAA personnel shall be invited to attend if the project impacts existing FAA facilities or air traffic control. Notification of this meeting shall also be sent to the Homeland Security Office responsible for the subject airport.

### **b. Notice-to-Proceed (NTP)**

The Sponsor's notice-to-proceed to the contractor should not be issued until the following conditions are met: 1) Grant agreement properly executed, 2) contract agreement including bonds are properly executed, and 3) FAA authorization to issue an NTP has been granted.

**c. Safety Plan**

The airport operator retains overall responsibility for proper implementation of the safety plan. The sponsor and the consultant must monitor the contractor and their subcontractors to ensure compliance with all required safety provisions throughout the duration of the project. Any proposed changes to the approved safety plan shall be submitted to the FAA for review and approval

**d. NOTAM**

All required Notice-to-Airmen (NOTAMS) must be established prior to commencement of work.

**e. FAA Facilities**

The sponsor and contractor shall provide at least seven (7) days advance notice to FAA maintenance personnel when existing FAA facilities will be impacted by the proposed development.

**PROJECT EXECUTION****a. Project Accomplishment**

The project must be accomplished in accordance with the approved FAA plans and specifications.

**b. Change Orders/Supplemental Agreements**

All change orders and supplemental agreements must be coordinated with the FAA for a determination of AIP eligibility and reasonableness of fees. For items of work that do not have an established unit price, an engineer's estimate of cost shall be prepared prior to entering into negotiations with the contractor. A copy of the engineer's estimate should be forwarded to the FAA along with the change order or supplemental agreement.

**c. Periodic Payments**

Sponsor's may seek reimbursement for periodic payments to the contractor for accepted work completed to date. Drawdowns should be made on a monthly basis. Reimbursements are to be made by electronic funds transfer using the FTA ECHO system. The Sponsor shall fax a copy of the drawdown information to the project manager at the time the drawdown is made. Sponsors should not seek reimbursement of incurred costs that have not been approved by the project manager.

**d. Inspection/Reporting**

The Sponsor must provide and maintain competent technical supervision at the construction site throughout the duration of the project. Daily records shall be maintained detailing the work that is accomplished that day. For paving projects exceeding \$250,000, weekly progress reports shall be prepared and submitted.

**e. Final Acceptance**

A final inspection shall be conducted once all work is satisfactory completed. The Sponsor shall ensure that a record of the final inspection is prepared. The date of the inspection and those present shall be identified.

**PROJECT CLOSEOUT****a. Final Outlay Report (SF-271)**

A final SF-271 form shall be prepared and signed by the authorized official. The form should identify all final project costs and the resultant Federal participation value.

**b. Final Construction Report**

A final construction report shall be prepared that provides a brief narrative of the project, listing of milestone dates, explanation of contract time, statement of substantial compliance with approved plans and specifications, explanation of overruns and under-runs, and summary of acceptance testing results.

**c. As-built Project Drawings**

The sponsor must receive a copy of the record drawings for the completed project. It is not necessary to submit a copy of "as-built" drawings to the FAA unless specifically requested by the project engineer.

— **d. As-built ALP**

Development projects that result in geometric modifications to airfield pavements or improvements to airport infrastructure require the submittal of an "as-built" Airport Layout Plan". This effort should not be construed as an ALP update effort. The As-built ALP drawing set must address as constructed improvement. All impacted sheets of the ALP shall be submitted.

— **e. Final Project Budget Summary**

Prepare and submit a detailed grant summary that identifies all specific costs and expenses. This summary requires additional detail than that presented within the SF -271 form.

— **f. Support Documentation for Final Expenses**

A copy of all final invoices, billings statements and progress estimates must be provided to support all claimed costs.

— **g. Sponsor Certification for Final Acceptance**

Sponsor shall complete, sign, and submit the required sponsor certification for final acceptance. Negative replies require additional explanation and justification.

## **GRANT AMENDMENT**

— **a. Amendment Limitations**

If through the execution of an AIP development or an equipment project, an overrun in eligible costs is incurred, the FAA may increase the grant up to an amount not exceeding a statutory 15% limitation. For land projects, the limitation for increasing a grant may vary per the circumstances of the acquisition. Planning grant amounts cannot be amended. Costs that exceed these limitations will not be reimbursed under the AIP.

— **b. Amendment Request**

The sponsor must make a formal written request for an amendment. The request should provide an explanation and justification for the overrun in eligible costs. The FAA will not consider an amendment until all required closeout documentation has been submitted for review and approval.

— **c. Amendment Offer**

The FAA does not guarantee funds will be available for covering grant amendments. The funding of a grant amendment is largely subject to the availability of recovery funds from other AIP grant closeouts. This process may take a significant amount of time to.

## **POST GRANT REQUIREMENTS**

— **a. Record Keeping**

Sponsors are required per 49 CFR Part 18.42 to maintain pertinent records and documentation, which fully disclose the amount and disposition of federal funds. Documentation and records must be retained for a minimum of three years from fiscal closure. Sponsors must provide the United States access to such records for purposes of audit and examination.

— **b. Audits**

Sponsors that receive over \$500,000 in federal funds within a year are required to conduct a single audit that complies with OMB Circular A-133. Sponsors that receive less than \$500,000 federal funds are not required to complete the single audit but must maintain adequate records and documentation within an acceptable accounting system that would facilitate an audit if deemed necessary by the United States.

— **c. Financial Reports**

Grant assurance #26 requires that the Sponsor prepare and submit financial and operations reports within 120 days of the end of their fiscal year. Refer to Advisory Circular 150/5100-19 for FAA guidance on submitting required financial reports.

**d. Compliance**

Airport owners and operators who accept a Federal grant also accept certain conditions and assurances for which the sponsor must comply. Considering that obligations remain valid beyond a grant closure, Sponsors are encouraged to routinely review their obligations. The FAA Compliance program provides oversight of sponsor efforts in complying with Federal Obligations.

**e. Pavement Maintenance Program:** For any project to replace or reconstruct pavement, the sponsor must provide assurance to the FAA that they have implemented an effective pavement maintenance management program. The amendment also provides for the submittal of reports addressing the pavement condition and the management program.



## 120 - Sponsor Eligibility

Eligibility to receive funds under the AIP program varies per the type of sponsor and the type of proposed project activity. In all cases, the sponsor must be legally, financially and otherwise able to assume and carry out the obligations required of an AIP grant agreement. In general, the different types of sponsors may be categorized as follows:

**Planning agencies** - Agencies such as state planning agencies or metropolitan planning agencies may qualify as a sponsor provided the organization is authorized by appropriate State or local laws. Such grants are typically limited to planning type grants.

**Public Agencies that own the airport** - Public agencies such as State, county, local municipalities, or other political subdivisions that maintain ownership of an airport may qualify as an AIP Sponsor. Sponsorship may include agreements for Airport Master Planning, Noise compatibility planning, Noise program implementation, and airport development projects.

**Certain Public Agencies that do not own an airport** - Public agencies such as State, county, local municipalities or other political subdivisions that do not maintain ownership of an airport may qualify as an AIP Sponsor. Such sponsorship is typically limited to master planning for new airports, acquisition of existing airports and noise program implementation.

**Certain Privately owned airports** - Individuals, partnerships or corporations who own and operate an airport intended for public-use may qualify as an AIP sponsor provided they operate as a reliever airport or have at least 2,500 annual passenger boardings. Privately owned airport sponsors are eligible for airport development projects, airport master planning, noise compatibility planning, and noise program implementation.

**State Sponsorship** - A State may act as a sponsor whether or not it owns the airport. If the State does not maintain ownership, the State sponsorship must satisfy three statutory provisions

1. The sponsor must consent in writing to State Sponsorship
2. There shall be administrative merit and aeronautical benefit to State Sponsorship
3. There must be an agreement acceptable to the FAA that assures compliance with grant provisions

## 130 - Project Eligibility

Eligible sponsors under the Airport Improvement Program (AIP) may apply for funding of certain projects subject to a determination of project eligibility. Such projects typically fall within the categories of airport planning, airport development, land acquisition, and noise program implementation. All AIP funded projects must meet the following general requirements:

- The project sponsorship requirements have been met
- The project is reasonably consistent with the plans of planning agencies for the development of the area in which the airport is located
- Sufficient funds are available for the portion of the project not paid for by the United States
- The project will be completed without undue delay
- The airport location is included in the current version of the NPIAS
- The project involves more than \$25,000 in AIP funds.
- The project is depicted on a current airport layout plan approved by the FAA

Eligible projects generally include those improvements related to enhancing airport safety, capacity, security, and environmental concerns. There are also prohibitions on using AIP funds for certain projects. Projects related to airport operations and most revenue-generating improvements are typically not eligible for airport participation. Prohibitions also exist for art, landscaping, certain public parking facilities, and some aircraft hangars.

Recent changes in the AIP authorization (Vision 100) now permit some projects that have historically been ineligible to now be eligible at non-primary airports. Specific questions regarding AIP eligibility should be directed to the airport planner for the specific airport.

The table below lists typical examples of eligible and non-eligible projects. Please note that this listing does not represent a complete listing of eligible versus ineligible projects.

**Examples of Eligible vs. Ineligible Projects**

<b>Eligible Projects</b>	<b>Ineligible Projects</b>
<i>Aircraft hangars (Non-Primary airports)</i>	<i>Artwork</i>
<i>Airfield drainage</i>	<i>Development that exceeds FAA Standards</i>
<i>Airfield lighting</i>	<i>Development for Exclusive Use</i>
<i>Airfield signage</i>	<i>Improvements for commercial enterprises</i>
<i>Apron construction/rehabilitation</i>	<i>Industrial park development</i>
<i>Environmental Studies</i>	<i>Landscaping</i>
<i>Fuel farms (Non-Primary airports)</i>	<i>Maintenance equipment and vehicles</i>
<i>General Aviation Terminal Buildings</i>	<i>Marketing plans</i>
<i>Land acquisition</i>	<i>Office equipment</i>
<i>Certain Nav aids (e.g. REILs, PAPIs )</i>	<i>Training</i>
<i>Planning Studies</i>	<i>Airport Operational Costs</i>
<i>Runway construction/rehabilitation</i>	
<i>Safety Area improvements</i>	
<i>Taxiway construction/rehabilitation</i>	
<i>Weather observation stations (AWOS)</i>	

## 140 - AIP Obligations

When entities receive Federal assistance, they also accept certain obligations and conditions associated with that assistance. These obligations may be incurred by contract or by restrictive covenants in property deeds. This generally involves the following:

- Grant agreements issued under Federal grant programs
- Instruments of approved property transfers
- Deeds of conveyance

Airport owners and operators who accept a Federal grant are obligated to maintain and operate their facility in a safe and efficient manner.

Acceptance of the grant also invokes certain conditions and assurances for which the sponsor must comply. These conditions and assurances become binding contractual obligations between the sponsor and the United States. Obligations may span different grant development programs. The FAA has administered three such development programs: the Federal Airport Aid Program (FAAP), the Airport Development Aid Program (ADAP), and the Airport Improvement Program (AIP). Airport owners should be aware that obligations incurred under each program or conveyance document can vary. Some of the major obligations an airport owner can incur are listed below. This list should not be construed as all-inclusive of such incurred Federal obligations.

- *Prohibition on Exclusive Rights*
- *Utilization of Airport Revenue*
- *Proper Maintenance and Operation of Airport Facilities*
- *Protection of Approaches*
- *Maintaining Good Title of airport property*
- *Compatible Land Use*
- *Availability of Fair and Reasonable Terms without unjust discrimination*
- *Adherence to the approved Airport Layout Plan*
- *Sale or Disposal of Federally acquired property*
- *Preserving Rights and Powers*
- *Maintaining acceptable accounting and record keeping systems*
- *Compliance with Civil Rights requirements*
- *Compliance with Disadvantaged Business Enterprise requirements.*

Airport owners are encouraged to thoroughly review and understand each executed agreement and conveyance document to verify the exact obligations they have accepted. Airports owners are also encouraged to establish a central point for record keeping purposes that permits quick reference to the incurred obligations. Annual reviews of all such agreements will greatly aid your efforts in complying with incurred Federal obligations.

## RESOURCES

### Advisory Circulars

- [AC 150/5190-6](#) - Exclusive Rights at Federally-Obligated Airports
- [AC 150/5190-7](#) - Minimum Standards for Commercial Aeronautical Activities

### Grant Obligations

- [Airport Sponsor Assurances](#) (pdf)
- [Noise Compatibility Assurances for Non-Airport Sponsors](#) (pdf)
- [Planning Agency Assurances](#) (pdf)

## 150 - FAA Standards

The FAA establishes policies, guidelines and standards for the safe and efficient development of the national airspace system. Such standards and guidelines are conveyed to the public through the FAA Advisory Circular system. Unless incorporated by regulation or binding agreement, standards and guidelines presented in an Advisory Circular are generally non-regulatory in nature.

**However**, AIP grant recipients are bound to adhere to the standards and guidelines presented in Advisory Circulars specifically identified in the grant agreement. AIP grant recipients are obligated to comply with the identified standards by the acceptance of grant assurance #34. Adherence to the identified standards is mandatory if Federal funding is requested.

A listing of applicable Advisory Circulars is typically attached to the grant agreement along with the grant assurances. Sponsors may not deviate from an FAA standard unless express written consent is obtained from the FAA.

### RESOURCES

- [Advisory Circular Library: 150 Airports Series](#)
- [FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects](#) (.pdf)
- [Quick Cross Reference of FAA Standards](#)

## 160 - Non-Primary Entitlement Funds

The passage of the Wendall H. Ford Aviation Investment and Reform Act for 21st Century (AIR-21) introduced a new funding source for general aviation airports. The subsequent AIP re-authorization, Vision 100, retained Non-Primary entitlement funding with some significant changes.

Non-primary entitlement funds are specifically for general aviation airports listed in the latest published National Plan of Integrated Airports (NPIAS), that show needed airfield development. General aviation airports with an identified need are eligible to receive annually the lesser value of the following:

- 20% of the 5-year cost of their current NPIAS value or,
- \$150,000
- A funding condition of Non-Primary Entitlement is that Congress must appropriate \$3.2 billion or more for non-primary entitlement funds to exist in that fiscal year

### When can I use the general aviation entitlement?

Under Vision 100, non-primary entitlement is available to use in the fiscal year it becomes available and the next three fiscal years. You may choose to delay using your entitlement the first, second or third year and use all of the money in the final year to fund a larger project. Unused funds will expire after four years if not obligated under a grant or transferred to another NPIAS airport.

### Which projects are eligible for funding?

In general, you can use AIP funds on most airfield capital improvements and limited maintenance work. Vision 100 also allows the use of non-primary entitlement for limited revenue generating areas such as terminals, hangars and fuel farms. Eligible maintenance projects include airfield pavement maintenance. Normal airport operational costs such as salaries, mowing equipment and supplies are not permitted. Sponsors are strongly encouraged to contact the FAA to discuss eligibility questions.

### Examples of Eligible vs. Ineligible Projects

Eligible Projects	Ineligible Projects
<i>Runways, Taxiways &amp; Aprons</i>	<i>Mowers</i>
<i>Airfield lighting</i>	<i>Debris sweepers</i>
<i>Airport layout plans Environmental Studies</i>	<i>Landscaping</i>
<i>Access roads located on Airport Property</i>	<i>Airport Vehicles (Trucks, cars)</i>
<i>Removing, lowering, marking and lighting hazards to aviation</i>	<i>Salaries</i>
<i>Drainage Improvements</i>	<i>Office equipment</i>
<i>Weather observation stations (AWOS)</i>	<i>Automobile parking lots</i>
<i>Land acquisition for eligible development</i>	<i>Industrial park infrastructure and buildings</i>
<i>Tree clearing in runway approaches</i>	<i>Business &amp; marketing plans</i>
<i>Maintenance hangars</i>	<i>Training</i>
<i>T-hangars, Terminals</i>	<i>Exclusive Use Improvements</i>
<i>Fuel farms</i>	<i>Supplies</i>

**What are my obligations for accepting AIP funds?**

When an airport operator accepts a grant you incur specific obligations to the federal government for a period of twenty years. A few of these obligations are that you will operate and maintain the airport for this period, you will not grant exclusive rights to those providing aeronautical services, you will not unjustly discriminate and you will not allow any activity that would interfere with its use as an airport.

**Is there anything else I should know?**

- The AIP grant pays for 95% of the total eligible costs included in the project. You are responsible for the remaining 5%.
- There is a grant provision that limits amendments to 15% of the original grant amount for development projects. Planning projects cannot be amended.
- You must have competitive bid prices before a grant can be issued.
- Payments are made by electronic transfer and may be requested periodically as project costs are incurred. As a minimum, monthly drawdowns should be done.
- You must have a local official responsible to administer the grant.
- Appropriate Federal provisions must be incorporated into the procurement action.

**RESOURCES**

- [Advisory Circular Library: 150 Airports Series](#)
- [FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects](#) (.pdf)
- [Quick Cross Reference of FAA Standards](#)